

➤ ASX ANNOUNCEMENT

15 June 2023

ASX:TYX

Issued Capital

3,106,425,325 shares
576,935,342 @ 0.01 options
1,000,000 @ 0.075 options
1,000,000 @ 0.10 options

Directors

Joe Graziano
Paul Williams
Peter Spitalny
David Wheeler

Company Secretary

Tim Slate

About Tyranna Resources Ltd

TYX is an Australian ASX Listed explorer focused on discovery and development of battery and critical minerals in Australia and Angola.

It owns 80% of a 200km² lithium exploration project in the emerging Giraul pegmatite field located east of Namibe, Angola, Africa. It further holds potential nickel and gold tenements primarily in Western Australia.

Tyranna Resources Ltd

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Tyranna executes Offtake Agreement with Sinomine

Highlights

- > Execution of binding offtake agreement for 50% of the spodumene and 50% of the pollucite from the Namibe Lithium Project with Sinomine including USD\$10,000,000 prepayment (Additional to Phase 1 funding)
- > Key Condition Precedent now satisfied for Phase 1 funding, consisting of:
 - > Investment of AUD \$4,500,000 at \$0.025 in Tyranna ; and
 - > Project level funding of AUD \$10,000,000
- > Accelerated drilling programme planned with two Sinomine drill rigs available to be mobilised to site

Tyranna Resources Limited (ASX: TYX) (Tyranna or the Company) is extremely pleased to announce that it has executed a binding offtake agreement for both 50% of the spodumene and 50% of the pollucite from the Namibe Lithium Project with Sinomine Resource Group Co., Ltd. and Sinomine International Exploration (Hong Kong) Co., Limited) (collectively, **Sinomine**) (**Offtake Agreement**).

Execution of the Offtake Agreement is the key condition precedent of the conditional subscription agreement with Sinomine to invest circa AUD \$31,000,000 to provide funding for exploration and development of the Namibe Lithium Project in Angola, as announced on 3 May 2023.

Joe Graziano, the Chairman of Tyranna commented as follows: *"The Board is extremely pleased to have completed negotiations and executed a binding offtake agreement with Sinomine. The key condition precedent to the completion of the Phase 1 investment will provide the funds to accelerate the exploration program in Angola. Both exploration teams are involved in progressing the design of the next drilling campaign to efficiently work through the strategy to explore the project and we look forward to positive news flow as the program progresses"*

A summary of key terms of the Offtake Agreement is as follows:

Offtake rights

Sinomine will have offtake rights for 50% of future lithium and 50% of pollucite produced within the Namibe Lithium Project area, or any operations directly related thereto.

Sinomine will also have the right to match any 3rd party offer for the balance of production at the Namibe Lithium Project.

If Sinomine elects not to take some or all of its lithium or pollucite offtake entitlement under the Offtake Agreement, Tyranna may sell that product to third parties at a rate which is not lower than the rate that Sinomine would have been required to pay for such product, with Sinomine obliged to make up any shortfall in the purchase price.

Price

The Company notes that pricing under the Offtake Agreement will reflect market prices for spodumene and pollucite at the time of offtake.

Term

The Offtake Agreement shall remain in effect until the earlier of:

- a) the date on which production ceases at the Namibe Lithium Project, on the basis that Tyranna reasonably decides that it would be no longer economically feasible to continue to extract lithium and pollucite products;
- b) 10 years, subject to Sinomine's option to extend for an additional 10 years; and
- c) termination for convenience, in accordance with which the terminating party must pay \$10 million to the other party.

Prepayment

Sinomine will make an advance payment of US\$10,000,000, when the ball mill has been delivered and bolt installed at the location of the mining operation.

About Sinomine

Founded in 1999, Sinomine is a listed company on the Shenzhen stock exchange and has a market capitalization of approximately AUD \$8 billion. It has developed into a global mining group with a comprehensive resource industrial chain. Sinomine's main business and operations cover four segments: rare light mineral (cesium and rubidium) resources development & utilization, EV lithium material development & utilization, geo-technical services, and mineral properties development. Sinomine's business covers more than 40 countries, including Canada, US, UK, Norway, Zambia, Congo (DRC), Zimbabwe, Uganda, Indonesia, Malaysia and other regions in Asia, Africa, Europe, America, and Oceania.

Updated Indicative timetable

The expected key dates for the Subscription Agreements are set out below:

Event	Week ending
Sinomine obtaining all necessary Chinese outbound investment regulatory approvals	30 June 2023
Implementation of agreed amendments to AM Mauritius' constitution	
Issue of Phase 1 Investment Securities	

All dates and times are indicative only and subject to necessary approvals and each other condition precedent to the Subscription Agreements being satisfied or waived.

Authorised by the Board of Tyranna Resources Ltd

Joe Graziano
Chairman